

ORIGINAL

JOHNSON UTILITIES, L.L.

5230 East Shea Boulevard * Scottsdale, Arizona 85254
PH: (480) 998-3300; FAX: (480) 483-7908



0000171086

RECEIVED

2016 JUN 17 P 3:29

June 15, 2016 AZ CORP COMMISSION
DOCKET CONTROL

Mr. Brian Bozzo
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

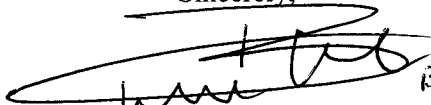
RE: Johnson Utilities, L.L.C.: Compliance with Decision No. 71854
RE: CAGR Rates to Staff Every Even Year
Docket No. WS-02987A-08-0180

Dear Mr. Bozzo:

Pursuant to the above mentioned decision, Johnson Utilities hereby submits this compliance filing in accordance with the Commission's order to have on file with the Commission the CAGR rates every even year.

Attachment No. 1 includes the 2016/17 – 2021/22 Rate Schedule, which was approved on June 9, 2016.


Sincerely,


BRAD COLE
FOR George H. Johnson
Manager
Johnson Utilities, LLC

cc: Docket Control (17 copies)

Arizona Corporation Commission
DOCKETED

JUN 17 2016

DOCKETED BY 

Attachment 1

**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
FINAL 2016/17 - 2021/22 RATE SCHEDULE**

Approved
June 9, 2016

CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT ASSESSMENT RATES

Units = \$/acre-foot

	2015/16	Firm 2016/17	Provi- sional 2017/18	Advisory			
				2018/19	2019/20	2020/21	2021/22
<u>Phoenix Active Management Area</u>							
Water & Replenishment Component ¹	\$ 179	\$ 186	\$ 214	tbd	tbd	tbd	tbd
Administrative Component ²	45	32	29	28	28	28	28
Infrastructure & Water Rights Component ³	353	353	353	353	333	313	293
Replenishment Reserve Charge ⁴	67	89	101	tbd	tbd	tbd	tbd
Total Assessment Rate (\$/AF)	\$ 644	\$ 660	\$ 697	tbd	tbd	tbd	tbd
<u>Pinal Active Management Area</u>							
Water & Replenishment Component ¹	\$ 160	\$ 175	\$ 204	tbd	tbd	tbd	tbd
Administrative Component ²	45	32	29	28	28	28	28
Infrastructure & Water Rights Component ³	353	353	353	353	333	313	293
Replenishment Reserve Charge ⁴	75	96	108	tbd	tbd	tbd	tbd
Total Assessment Rate (\$/AF)	\$ 633	\$ 656	\$ 694	tbd	tbd	tbd	tbd
<u>Tucson Active Management Area</u>							
Water & Replenishment Component ¹	\$ 202	\$ 213	\$ 238	tbd	tbd	tbd	tbd
Administrative Component ²	45	32	29	28	28	28	28
Infrastructure & Water Rights Component ³	353	353	353	353	333	313	293
Replenishment Reserve Charge ⁴	85	108	131	tbd	tbd	tbd	tbd
Total Assessment Rate (\$/AF)	\$ 685	\$ 706	\$ 751	tbd	tbd	tbd	tbd
<u>Contract Replenishment Tax - Scottsdale</u> ⁵							
Cost of Water	\$ 179	\$ 184	\$ 195	\$ 220	tbd	tbd	tbd
Cost of Transportation	0	0	0	0	0	0	0
Cost of Replenishment	0	0	0	0	0	0	0
Administrative Component ²	45	32	29	28	28	28	28
Total Tax Rate (\$/AF)	\$ 224	\$ 216	\$ 224	\$ 248	tbd	tbd	tbd

ENROLLMENT & ACTIVATION FEES

Units = \$/Unit

Enrollment Fee - Commercial Subdivisions ⁶	n.a.	\$ 500	\$ 700	\$ 924	\$ 1,094	tbd	tbd
Enrollment Fee ⁷	\$ 284	\$ 284	\$ 284	\$ 284	\$ 284	\$ 292	\$ 301
Activation Fee - Minimum ⁸	\$ 282	\$ 282	\$ 282	\$ 282	\$ 282	tbd	tbd
Activation Fee - Phoenix AMA ⁸	\$ 350	\$ 460	\$ 610	\$ 820	\$ 1,080	tbd	tbd
Activation Fee - Pinal Post-2007 ⁸	\$ 350	\$ 460	\$ 610	\$ 820	\$ 1,080	tbd	tbd
Activation Fee - Tucson AMA ⁸	\$ 320	\$ 400	\$ 510	\$ 640	\$ 810	tbd	tbd

ANNUAL MEMBERSHIP DUES

Member Land Annual Membership Dues (\$/Lot) ⁹

Phoenix Active Management Area	\$ 20.78	\$ 16.50	\$ 22.63	\$ 27.24	\$ 27.16	\$ 28.43	\$ 29.87
Pinal Active Management Area	\$ 2.80	\$ 10.57	\$ 14.88	\$ 18.48	\$ 19.18	\$ 20.85	\$ 22.58

**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
FINAL 2016/17 - 2021/22 RATE SCHEDULE**

Approved
June 9, 2016

Tucson Active Management Area	\$ 13.21	\$ 16.89	\$ 23.58	\$ 28.86	\$ 29.17	\$ 30.91	\$ 32.88
<u>Member Service Area Annual Membership Dues (\$/AF) ⁹</u>	\$ 32.34	\$ 52.68	\$ 74.44	\$ 93.32	\$ 98.56	\$ 108.97	\$ 120.12

**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
FINAL 2016/17 - 2021/22 RATE SCHEDULE**

Approved
June 9, 2016

NOTES:

- 1) The Water & Replenishment Component covers the projected annual costs of satisfying replenishment obligations, including the purchase of long-term storage credits (LTSC) and the purchase and replenishment of water and effluent. For the Phoenix Active Management Area (AMA), replenishment is planned to be accomplished at direct underground storage facilities (USFs) and groundwater savings facilities (GSFs). For the Pinal AMA, replenishment is planned to be accomplished at GSFs. For the Tucson AMA, replenishment is planned to be accomplished at USFs.
- 2) The Administrative Component covers CAGRD administrative costs, except labor related costs associated with the acquisition of infrastructure and water rights, and associated with enrollment costs. A \$2/AF has been added to this component to fund the Board's CAGRD conservation program.
- 3) The Infrastructure & Water Rights Component covers the cost to develop additional water supplies and the cost to construct additional infrastructure as the need arises.
- 4) The Replenishment Reserve Charge covers costs associated with establishing a replenishment reserve of LTSCs as provided in ARS Sections 48-3774.01 and 48-3780.01.
- 5) The components of the Contract Replenishment Tax - Scottsdale reflect the provisions in the Water Availability Status Contract to Replenish Groundwater between CAWCD and Scottsdale.
- 6) Separate Enrollment Fees for Commercial Subdivisions were authorized by the November 5, 2015 CAP Board Amended Enrollment Fee and Activation Fee Policy. Enrollment Fees for Commercial Subdivisions are phased in over a two year period, and starting in the 2018/2019 fiscal year forward, are equal to the Member Land Enrollment Fee plus the Tucson AMA Activation Fee. This formula applies with the exception being if a Commercial Subdivision enrolls with more than 50 parcels, then the Commercial Subdivision Enrollment Fee applies on the first 50 parcels, and only the Member Land Enrollment Fee applies to the number of parcels over 50.
- 7) The Enrollment Fee is collected pursuant to the CAGRD Enrollment Fee and Activation Fee Policy adopted by the Board on May 1, 2008. A \$2 per housing unit is included in the Enrollment Fee to help fund CAGRD's conservation program.
- 8) The Activation Fees is in accordance with the Preliminary 2014/15 - 2019/20 CAGRD Activation fee schedule adopted by the Board on November 7, 2013.
- 9) The Annual Membership Dues for Member Lands and Member Service Areas are pursuant to ARS Sections 48-3772.A.8. and 48-3779 as well as the Policy on Collection of CAGRD Annual Membership Dues adopted by the Board on April 7, 2011.